

## INSPECTION REPORT

Partial ☐ Complete ☒ Exploration ☐  
 Inspection Date: 05/27/2003 Time: 10:00 am- 2:00 pm  
 Date of Last Inspection: 04/08/2003

Mine Name: Horizon Mine County: Carbon Permit Number: C/007/020  
 Permittee and/or Operator's Name: Lodestar Energy, Inc.  
 Business Address: HC 35 Box 370, Helper, Utah 84526  
 Company Official(s): Mark Wayment  
 State Official(s): Stephen J. Demczak Federal Official(s): None  
 Weather Conditions: Sunny, 80's  
 Type of Mining Activity: Underground XXX Surface ☐ Prep Plant ☐ Other ☐  
 Existing Acreage: Permitted 711 Disturbed 9 Regraded ☐ Seeded ☐  
 Status: Active

### REVIEW OF PERMIT, PERFORMANCE STANDARDS & PERMIT CONDITION REQUIREMENTS

1. Substantiate the elements on this inspection by checking the appropriate performance standard.
  - a. For complete inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check N/A.
  - b. For partial inspections check only the elements evaluated.
2. Document any noncompliance situation by referencing the NOV issued at the appropriate performance standard listed below.
3. Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
4. Provide a brief status report for all pending enforcement actions, permit conditions, Division Orders, and amendments.

	EVALUATED	N/A	COMMENTS	NOV/ENF
1. PERMITS, CHANGE, TRANSFER, RENEWAL, SALE	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. SIGNS AND MARKERS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3. TOPSOIL	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. HYDROLOGIC BALANCE:				
a. DIVERSIONS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b. SEDIMENT PONDS AND IMPOUNDMENTS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c. OTHER SEDIMENT CONTROL MEASURES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d. WATER MONITORING	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
e. EFFLUENT LIMITATIONS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
5. EXPLOSIVES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. DISPOSAL OF EXCESS SPOIL/FILLS/BENCHES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. COAL MINE WASTE/REFUSE PILES/IMPOUNDMENTS	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. NONCOAL WASTE	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
9. PROTECTION OF FISH, WILDLIFE AND RELATED ENVIRONMENTAL ISSUES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. SLIDES AND OTHER DAMAGE	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. CONTEMPORANEOUS RECLAMATION	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. BACKFILLING AND GRADING	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. REVEGETATION	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. SUBSIDENCE CONTROL	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. CESSATION OF OPERATIONS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
16. ROADS:				
a. CONSTRUCTION/MAINTENANCE/SURFACING	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. DRAINAGE CONTROLS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. OTHER TRANSPORTATION FACILITIES	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. SUPPORT FACILITIES/UTILITY INSTALLATIONS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
19. AVS CHECK (4 <sup>th</sup> Quarter- April, May, June)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
20. AIR QUALITY PERMIT	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
21. BONDING & INSURANCE	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

**INSPECTION REPORT**  
(Continuation Sheet)

PERMIT NUMBER: C/007/020

DATE OF INSPECTION: 05/27/2003

(COMMENTS ARE NUMBERED TO CORRESPOND WITH TOPICS LISTED ABOVE)

**1. PERMITS, CHANGE, TRANSFER, RENEWAL, SALE**

At the time of the inspection, Hidden Splendor Resources Inc. was in the process with the Division to transfer the permit for the Horizon Mine. Hidden Splendor Resources was in the process of receiving insurance coverage for the Horizon property. The Division has received the bond. The Division is in the process of getting a signed reclamation agreement and putting it into the AVS system.

**2. SIGNS AND MARKERS**

The identification signs will need to be changed once the Mining and Reclamation Plan is transferred to Hidden Splendor Resources Inc.

**4A. HYDROLOGIC BALANCE: DIVERSIONS**

The diversion ditches have been cleaned out since the last inspection.

**4B. HYDROLOGIC BALANCE: SEDIMENT PONDS AND IMPOUNDMENTS**

The permittee conducted the first quarter inspection of the sediment pond. No hazardous conditions were noted in the report. The inspector did not see any hazardous conditions at the time of the inspection.

**4C. HYDROLOGIC BALANCE: OTHER SEDIMENT CONTROL MEASURES**

Sediment control structures were performing as designed.

**4D. HYDROLOGIC BALANCE: WATER MONITORING**

The water monitoring for the first quarter was entered into the EDS. Hidden Splendor Resources Inc. will be taking water samples in a few days for the second quarter. This information was not present during the inspection. I made a point in telling management that this is a requirement under the R645 Coal Rules.

**4E. HYDROLOGIC BALANCE: EFFLUENT LIMITATIONS**

Water Samples did not exceed the requirements of the of the UPDES permit.2003 for the first quarter.

The UPDES permit is UGo40000 and will expire on April 30, 2008.

**8. NONCOAL WASTE**

Hidden Splendor Resources Inc. was in the process of cleaning up non-coal waste material throughout the property.

**INSPECTION REPORT**  
(Continuation Sheet)

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**15. CESSATION OF OPERATIONS**

The mine is idle at this time. Work is on-going to get the mine ready for production. Hidden Splendor Inc. is in the process of locating mining equipment.

**18. SUPPORT FACILITIES/UTILITY INSTALLATIONS**

No new construction has occurred since the last inspection.

**19. AVS CHECK**

The Division has requested an update of officers from Lodestar in 2002. This information has not been submitted. This information will change once the permit transfer is completed.

**20. AIR QUALITY PERMIT**

The air quality permit is DAQE-700-00. The permittee cannot exceed 1.2 million tons of coal in a rolling 12-month period.

**21. BONDING AND INSURANCE**

Hidden Splendor Resources Inc. is in the process of submitting bonding and insurance coverage for the Horizon Mine.

Inspector's Signature: \_\_\_\_\_ Date: June 4, 2003  
Stephen J. Demczak #39

**Note:** This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas & Mining.

cc: James Fulton, OSM  
Mark Wayment, Lodestar  
Price Field office

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